

PART 400—EMERGENCY STEEL GUARANTEE LOAN PROGRAM

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AUTHORITY: Pub. L. 106-51, 113 Stat. 252 (15
U.S.C. 1841 note).

SOURCE: 64 FR 57933, Oct. 27, 1999, unless
otherwise noted.

Subpart A—General

§ 400.1 Purpose.

This part is issued by the Emergency Steel Guarantee Loan Board pursuant to section 552 of title 5 of the United States Code and the Emergency Steel Loan Guarantee Act of 1999, Chapter 1 of Public Law 106-51. This part contains rules for making and servicing loans to qualified steel and iron ore companies guaranteed by the Board.

§ 400.2 Definitions.

(a) *Act* means the Emergency Steel Loan Guarantee Act of 1999, Chapter 1 of Public Law 106-51.

(b) *Administer, administering and administration*, mean the Lender's actions in making, disbursing, servicing (including, but not limited to care, preservation and maintenance of collateral), collecting and liquidating a loan and security.

(c) *Applicant* means the private banking or investment institution applying for a loan guarantee under this part.

(d) *Board* means the Emergency Steel Guarantee Loan Board.

(e) *Borrower* means a Qualified Steel Company which could receive a loan guaranteed by the Board under this Program.

(f) *Guarantee* means the written agreement between the Board and the Lender, and approved by the Borrower, pursuant to which the Board guarantees repayment of a specified percentage of the principal of the loan, including the Special Terms and Conditions, the General Terms and Conditions, and all exhibits thereto.

(g) *Lender* means a private banking or investment institution that is eligible pursuant to § 400.201.

(h) *Loan Documents* mean the loan agreement and all other instruments, and all documentation between the Lender and the Borrower evidencing the making, disbursing, securing, collecting, or otherwise administering of the loan.

(i) *Program* means the Emergency Steel Guarantee Loan Program established by the Act.

(j) *Security* means all property, real or personal, required by the provisions of the Guarantee or by the Loan Documents to secure repayment of any indebtedness of the Borrower under the Loan Documents or Guarantee.

(k) *Qualified Steel Company* means a company that is incorporated under the laws of any State; is engaged in the production and manufacture of a product defined by the American Iron and Steel Institute as a basic steel mill product, including ingots, slab and billets, plates, flat-rolled steel, sections and structural products, bars, rail type products, pipe and tube, and wire rod; and has experienced layoffs, production losses, or financial losses since January 1, 1998. An iron ore company incorporated under the law of any state is

considered a Qualified Steel Company for purposes of the Program.

Subpart B—Board Procedures

§ 400.100 Purpose and scope.

This subpart describes the Board's authorities and organizational structure, the means and rules by which the Board takes actions, and procedures for public access to Board records.

§ 400.101 Composition of the Board.

The Board consists of the Chairman of the Board of Governors of the Federal Reserve System, who acts as Chairman of the Board, the Chairman of the Securities and Exchange Commission, and the Secretary of Commerce.

§ 400.102 Authority of the Board.

Pursuant to the provisions of the Act, the Board is authorized to guarantee loans provided to Qualified Steel Companies by private banking and investment institutions in accordance with the procedures, rules, and regulations established by the Board, to make the determinations authorized by the Act, and to take such other actions as necessary to carry out its functions in accordance with the Act.

§ 400.103 Offices.

The principal offices of the Board are in the U.S. Department of Commerce, Washington, DC 20230.

§ 400.104 Meetings and actions of the Board.

(a) *Place and frequency.* The Board meets, on the call of the Chairman, in order to consider matters requiring action by the Board. Time and place for any such meeting shall be determined by the members of the Board.

(b) *Quorum and voting.* Two voting members of the Board constitute a quorum for the transaction of business. All decisions and determinations of the Board shall be made by a majority vote of the voting members. All votes on determinations of the Board required by the Act shall be recorded in the minutes. A Board member may request that any vote be recorded according to individual Board members.

(c) *Agenda of meetings.* To the extent practicable, an agenda for each meeting shall be distributed to members of the Board at least two days in advance of the date of the meeting, together with copies of materials relevant to the agenda items.

(d) *Minutes.* The Secretary of the Board shall keep minutes of each Board meeting and of action taken without a meeting, a draft of which is to be distributed to each member of the Board as soon as practicable after each meeting or action. To the extent practicable, the minutes of a Board meeting shall be corrected and approved at the next meeting of the Board.

(e) *Use of conference call communications equipment.* Any member may participate in a meeting of the Board through the use of conference call, telephone or similar communications equipment, by means of which all persons participating in the meeting can simultaneously speak to and hear each other. Any member so participating in a meeting shall be deemed present for all purposes. Actions taken by the Board at meetings conducted through the use of such equipment, including the votes of each member, shall be recorded in the usual manner in the minutes of the meetings of the Board.

(f) *Actions between meetings.* When, in the judgment of the Chairman, circumstances occur making it desirable for the Board to consider action when it is not feasible to call a meeting, the relevant information and recommendations for action may be transmitted to the members by the Secretary of the Board and the voting members may communicate their votes to the Chairman in writing (including an action signed in counterpart by each Board member), electronically, or orally (including telephone communication). Any action taken under this paragraph has the same effect as an action taken at a meeting. Any such action shall be recorded in the minutes.

(g) *Delegations of authority.* The Board may delegate authority, subject to such terms and conditions as the Board deems appropriate, to the Executive Director, the General Counsel, or the Secretary of the Board, to take certain actions not required by the Act to be taken by the Board. All delegations